

FISCAL YEAR ENDED	OUTREACH				GRANTS			COMBINED PROGRAM ADMINISTRATION	TOTAL PROGRAM BENEFITS DELIVERED
	COLLEGE GOAL SUNDAY	CAMPUS OUTREACH OFFICES	MCIS & EARLY AWARENESS	SAFE OFFICE GRANT	ACCESS GRANTS	GEAR UP SUPPORT	OTHER COMP. MISSION GRANTS		
6/30/2001	\$0	\$0	\$2,019	\$0	\$350,000	\$31,696	\$13,313	\$7,111	\$404,139
6/30/2002	\$0	\$23,512	\$122,346	\$36,069	\$350,000	\$36,779	\$14,784	\$12,672	\$596,162
6/30/2003	\$0	\$33,180	\$32,841	\$55,089	\$425,000	\$22,032	\$20,458	\$85,193	\$673,793
6/30/2004	\$0	\$70,321	\$121,837	\$15,447	\$500,000	\$47,201	\$25,929	\$111,556	\$892,291
6/30/2005	\$157,543	\$130,912	\$125,043	\$31,435	\$602,017	\$25,000	\$46,028	\$338,725	\$1,426,685
6/30/2006	\$271,062	\$179,361	\$326,327	\$30,000	\$1,120,000	\$25,000	\$399,948	\$763,476	\$3,115,174
TOTAL BENEFITS DELIVERED	\$428,605	\$437,286	\$730,413	\$168,040	\$3,347,017	\$187,708	\$520,460	\$1,318,733	\$7,138,262

PROGRAMS

- ★ **College Goal Sunday** helps parents and students successfully complete the Free Application for Federal Student Aid (FAFSA). College Goal Sunday is offered every February at 17 Montana college campuses and has served over 2,000 students in two years.
- ★ **Montana Career Information System (MCIS)** provides students with information on over 500 occupations, 3500 colleges nationwide, and labor market information with Montana-specific data on wages, employment outlook, licensing requirements, and preparedness. MCIS also provides several interest assessments for students to determine occupational interests that match their personal interests and talents. Students can search for over 3,000 scholarships, including scholarships available only to Montana students. Free access to MCIS is available through the SAF website (www.safmt.org), and SAF provides free workbooks and student workshops in Montana. Over 80,000 Montanans access MCIS each year.
- ★ **Foster Care Education and Training Vouchers** provide up to \$5,000 per year for eligible college-bound students who have "aged-out" of the foster care system. In addition to financial support, SAF helps these students complete the FAFSA and explore opportunities through MCIS. A select number of eligible students can attend A Step Ahead, a college preparedness camp that includes a new computer for college and training on communication, teamwork, and financial management skills.

- ★ **College Summit** is piloting their program at Havre High School and Glasgow High School with support from Student Assistance Foundation. College Summit helps students who are "better than their numbers" understand and complete the college planning, preparation, and admission process, and in turn, share their knowledge with their peers. College Summit has received extensive national recognition for their work to improve college access for underrepresented students.
- ★ **Community Outreach** is provided statewide to help parents and students better understand the importance of postsecondary education and their options for funding higher education. Over 18,000 students and parents participated in SAF's outreach efforts in FY '06.

CAMPUS OUTREACH

SAF has campus outreach offices at The University of Montana, Montana State University – Bozeman, Montana State University – Billings, and Miles Community College. Offices will be opening soon at Flathead Valley Community College and Montana Tech. Itinerant outreach services are provided from the Helena office to UM Western, Salish-Kootenai College, Chief Dull Knife College, and MSU Northern.

In addition to providing support for financial aid staff, these offices provide students with:

- ★ Exit and entrance counseling
- ★ Planning educational debt load and payment
- ★ Help understanding deferments and forbearances
- ★ Debt management presentations & referrals to debt management resources
- ★ Community presentations
- ★ Financial aid presentations for parents of high school students

GRANTS

- ★ **Acce\$\$ Grants** are provided to every Montana college (private, public, tribal, 2-year and 4-year) to help students facing financial barriers to pursuing higher education. Over \$3.3 million has been granted since 2000, benefiting over 2600 Montana students, with grants ranging in size from \$500 to \$5,000 per student.
- ★ **Acce\$\$ Circle Grants** provide \$1,000 to selected students to help them continue their postsecondary academic pursuits. Acce\$\$ Circle grants are funded in large part through donations from SAF employees, with a long-term goal of providing at least one grant in each of Montana's 56 counties. In FY '06, fifteen Acce\$\$ Circle grants were awarded; in FY '07, forty-five grants will be awarded.
- ★ **Health Science Achievement Grants** are provided to two-year public and tribal colleges offering programs in the health sciences, to help offset the cost for students pursuing careers in the health sciences. Funded by the Office of the Commissioner of Higher Education, over \$118,000 has been provided for these grants since FY '05.
- ★ **Complementary Mission Grants** are awarded to support the work of organizations who share SAF's mission of providing students with the knowledge and tools to finance and pursue postsecondary education. In FY '06, over \$220,000 in grants were awarded to organizations like Media Arts in the Public Schools, the Governor's Office of Community Service, the O'Connor Center for the Rocky Mountain West, Webwriters, Medical Explorers Program at Holy Rosary Healthcare, Student Advocates for Financial Education, and the Caring for our Own program at Montana State University.
- ★ **Individual Development Account** projects are underway with the Montana Credit Union Network and Rural Employment Opportunities (REO) to encourage and reward saving for higher education among low-income and minority populations.

SUPPORT FOR THE FINANCIAL AID AND EDUCATION COMMUNITY

SAF provides funding to financial aid offices across Montana for staff training and professional development, as well as other kinds of support for student and educator workshops, conferences, and training.

SAF supports the Montana GEAR UP program by providing financial and technical assistance to the program and its participating schools.



THE FACTS

ABOUT STUDENT ASSISTANCE FOUNDATION

WHAT IS SAF?

- SAF is a successful 501(c)(3) Montana nonprofit organization.
- Services a \$3 billion loan portfolio as its primary business.
- Employs 237 people and is growing.
- Governed by a nine-member board of directors.
- Designated as an *Exceptional Performer* by the U.S. Department of Education.
- Provides significant charitable public benefit programs for Montana citizens. More than \$7.1 million in benefits provided since 2000, including more than \$3.5 million in Acce\$\$ and Complementary Mission Grants.

WHAT WE BELIEVE

We listen to understand students' needs. We reduce barriers to education by providing financial assistance. We provide mentors with tools and materials to inspire students. We provide personal support and help students make informed decisions for a better future. We promote a better quality of life with higher paying jobs and the ability to support a family. We give back to the community by supporting higher education. We believe our core values of honesty, integrity, trust, respect, commitment and accountability are the cornerstones of the quality of service we provide.

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Student Assistance Foundation (SAF) is a successful, nonprofit Montana organization dedicated to providing students with knowledge and tools to finance and pursue their postsecondary education. Funds generated by SAF are returned to Montanans in the form of education grants and public benefit programs.

In 2004, SAF began expanding its loan servicing business, which involves adding up to 300 employees. This expansion will boost Montana's economy by over \$12 million annually in payroll and benefits alone and dramatically increase SAF's public benefit services and programs.

OUR SERVICES

Business Services

Student Assistance Foundation (SAF) provides day-to-day management and student loan servicing for the Montana Higher Education Student Assistance Corporation (MHESAC). SAF also services student loans for 35 Montana lenders and five non-state lenders in the Federal Family Education Loan Program. SAF's current serviced loan portfolio exceeds \$3.06 billion and is projected to exceed \$4 billion by FY 2008.

Public Benefit Services and Programs
SAF has delivered more than \$7.1 million in public benefits to Montana citizens. In FY 2006 alone, SAF delivered over \$3.1 million in public benefit programs, which included:

- Acce\$\$ Grants—Awarded \$1.1 million in FY 2006 and \$2.2 million in previous years.
- Community Outreach—Educates students and parents about postsecondary education planning.

- Campus Outreach—Helps students understand how to finance their education and manage their debt through SAF staff based on campuses in Billings, Bozeman, Kalispell, Miles City and Missoula. Additional staff visited campuses statewide.
- Foster Care ETV Program—Provides educational training vouchers (ETVs) to increase access to postsecondary education and vocational training programs for foster care youth.
- Montana Career Information System (MCIS)—Provides a complete, one-stop, Web resource dedicated to financial aid, college and career planning, and debt management. Also, MCIS is the perfect place to find occupation and labor market information. Access and training provided free to Montanans.
- College Goal Sunday—Provides annual statewide effort to help Montana families complete their federal financial aid forms. In 2006, financial aid volunteers in 17 cities across Montana helped more than 1,000 participants.

SAF Q&A

To what extent is SAF an entity of the State of Montana?

SAF is a nonprofit corporation incorporated in 1999 under the Montana Nonprofit Corporations Act. It is not a public corporation or a governmental unit. SAF has full powers granted to any Montana nonprofit corporation.

How do SAF's programs benefit Montanans?

SAF's student loan servicing provides Montana student loan borrowers with high-quality service. SAF has been designated an *Exceptional Performer* by the U.S. Department of Education and, in order to maintain this status, SAF must satisfy four, quarterly performance audits. SAF has an extremely low claim rejection and return rate. Its customer satisfaction surveys consistently show 97 percent satisfaction rates.

SAF's public benefit programs provide Montanans with numerous services to enhance their ability to pursue, and understand how to pay for, postsecondary education. Since 2000, SAF has provided more than \$7 million in Montana public benefits that include:

- Acce\$\$ Grant Program, which provides funds to Montanans to help them overcome financial barriers that inhibit their ability to pursue or complete postsecondary education.
- Campus outreach offices, which provide one-on-one counseling to students regarding their financial questions about how to pay for postsecondary education, and entrance and exit counseling for student loan borrowers.
- College Goal Sunday in Montana, an annual event to help Montana families complete federal financial aid forms.
- Knowhowtogo2 public awareness campaign in cooperation with the Lumina Foundation, which is new to Montana this year.

How is SAF governed?

SAF is governed by a nine-member board of directors. Six members are appointed by the chair of the Board of Regents and three are appointed by the chair of MHESAC. SAF board members and corporate officers have a wide range of experience and knowledge, including higher education, financial aid, student loans, business management, student issues, ranching, banking, loan servicing, accounting and philanthropy.

How is SAF's business managed?

SAF has 237 employees. SAF's day-to-day activities are managed by a seven-member executive team. SAF's president/CEO has more than 23 years of student loan business management experience. Other members of SAF's executive team have numerous years of banking, business management, student loan management and student loan servicing experience. Numerous SAF employees have been servicing student loans since the 1990s.

How is SAF funded?

SAF's public benefit activities are funded from the surpluses generated from its student loan servicing and management contracts, grants from other foundations and contributions from businesses and the public. SAF's business activities are funded from the revenue produced by the loan servicing and business management contracts it holds with more than 40 participants in the student loan industry.

Why did SAF choose to expand its services outside of Montana?

In 2004, SAF began providing student loan servicing outside of Montana to enhance its long-term financial success. This non-Montana activity allows SAF to obtain better overall economic efficiencies and reduces its operating costs. The surplus from this activity will be used to invest in future, enhanced student loan-related services and public benefit programs, which are designed to help Montanans pursue their postsecondary education goals.



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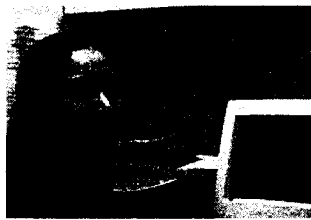


What is SAF?

- SAF is a 501(c)(3) nonprofit organization dedicated to providing Montana students with knowledge and tools to finance and pursue their postsecondary education.
- Designated as an *Exceptional Performer* by the U.S. Department of Education.
- Currently services a \$3 billion loan portfolio, which is projected to exceed \$4 billion by FY 2008.
- To support business growth, the number of SAF employees has increased from 86 in 1999 to 237 today with plans to exceed 500 in the next 8 to 10 years.
- Governed by a nine-member board of directors.

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EXPANSION PLANS AT STUDENT ASSISTANCE FOUNDATION

Why does SAF need to grow?

SAF is committed to providing greater public benefits to make the pursuit of postsecondary education dreams possible for all Montanans. Expanding SAF's student loan servicing business will provide greater funds for grants and education benefits for Montana students, while helping SAF and its business partners continue to provide high quality, competitive student loan services in both the Montana and national markets.

What does SAF need to successfully grow?

SAF's success depends on providing high quality service to students and employing high quality staff. SAF has outgrown its headquarters at 2500 Broadway in Helena and needs more space to effectively accommodate its operations. To meet its strategic initiative to succeed in the national student loan servicing market, SAF needs to increase its staff by 250 additional employees in the next 8 to 10 years.

What has SAF done to support its expansion strategy?

In 2004, SAF began establishing business relationships with some of the best known and fastest growing providers of student loans in the country. SAF has developed advanced hiring practices, superior training procedures and a strong, positive culture for its staff. Recently SAF chose Workstage, a nationally recognized design-build firm, to create an energy efficient, state-of-the art building that will serve its employees and the Montana community for years to come.

How will SAF's expansion and new building benefit SAF and Montana citizens?

- SAF will be able to successfully accomplish its expansion strategy and obtain cheaper marginal operating costs.
- SAF will be able to increase the level of public benefits it delivers to Montana citizens.
- Nearly 85 percent of the projected \$18 million building project cost is expected to be awarded by Workstage to local and Montana contractors.
- Functional lease space for two of SAF's major partners, Office of the Commissioner of Higher Education (OCHE) and the Montana Guaranteed Student Loan Program (MGSLP) will be available to maintain proximity relationships and facilitate effective organizational collaboration.
- SAF will be a leader in LEED or "green" technology and be able to provide an "off the grid" power source for its data center backup.

SAF Economic Impact

- SAF returns excess profits from its loan servicing business to Montana citizens in the form of education grants and public benefit programs - nearly \$7.1 million since 2000, including more than \$3.5 million in Acce\$\$ and Complementary Mission Grants.
- SAF's annual payroll of \$10 million and payroll taxes of \$1.5 million is reflected in the support of 120 associated jobs in the community. Those supported jobs have an annual payroll of \$3.2 million and \$480,000 in payroll taxes.**
- SAF's success helps students achieve their dreams of postsecondary education.
 - In Montana, the average lifetime income of an individual with a bachelor's degree is \$2.1 million, compared to \$1.2 million for those with a high school diploma.*
 - Montana can use the education level of its citizens as a powerful lure for business and industry.*
 - The cumulative economic impact of SAF is reflected in \$5.8 million in retail sales.**

**Workforce Montana May 2006*

***Montana Business Assistance Connection*

Building Project Details

Construction of the three-story, 105,000-square-foot building will begin in the spring of 2007 and is expected to be completed in the second half of 2008. The new building will be located on 10 acres of land off of Highway 12 East in Helena.

Workstage is known for its worker-friendly, high performance, eco-friendly, sustainable and flexible buildings. It has successfully designed and built structures for universities, as well as private, national and international companies.

What is a "high performance" building?

- Enables people, technology (PCs, phones, faxes and other hardware), processes and space to work better together.
- Provides access to natural daylight, which research has clearly shown increases productivity and job satisfaction.
- In-floor heating, ventilation and air conditioning systems improve overall air quality reducing sick days by as much as 40-50 percent.
- Flexible and provides for rapid change and response, while minimizing disruption.
- Is efficient and uses up to 20 percent less energy than traditional construction.
- The new SAF headquarters will be eco-friendly and LEED® (Leadership in Energy Efficient Design) certified, which is a hallmark of environmental stewardship. Users are connected with nature, the building consumes less energy and it is built in an environmentally sound manner.

Montana State Legislature

Exhibit 7

**This is a booklet only the cover
has been scanned to aid you in
your research.**

**The original exhibit is on file at
the Montana Historical Society
and may be viewed there**

**Montana Historical Society
Archives, 225 N. Roberts, Helena,
MT 59620-1201
Phone (406) 444-4774.**

Scanning by: Susie Hamilton

EXHIBIT 7
DATE 02/14/07
HB 578

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